

OFFICE OF THE STATE CONTROLLER
1998 CAFR FOOTNOTES WORKSHEET - UNIVERSITY

BOND DEFEASANCES

CAFR Footnote No.	7 H	FRU No.	
		University Name	
GASB Fund No.	All funds	Preparer/Phone	

NOTE: An in substance defeasance cannot apply to old debt with variable interest rates because of the uncertainty of future debt service requirements.

For bonds defeased, in substance, PRIOR to July 1, 1997:

Descriptive Name of Defeased Bond	Balance In Thousands 6-30-98

For bonds defeased for the CURRENT fiscal year 1997-98:

Please prepare and attach a note disclosure for current and advance refundings made during fiscal year 1997-98. Present your disclosure in the following format, with amendments as necessary.

On [Date] _____, the University issued \$_____ in
 [Name of New Bond Issue]_____ with an
 average interest rate of ____%. The refunding component of this bond issue was
 used to advance refund (defease) \$_____ of outstanding [Name of Old
 Bond Issue]_____, with a combined average interest
 rate of ____%. Net proceeds of \$_____ resulted from the bond sale.
(Advanced Refundings ONLY>>>) Of the net proceeds amount,
\$_____ was used to purchase U.S. Government securities. The
purchased securities were placed in an irrevocable trust with an escrow agent to
provide for all future debt service payments on the defeased bonds. For financial
reporting purposes, the trust account assets and the liability for the defeased bonds
are not included in the balance sheet (<<<Advanced Refundings ONLY). The
 University reduced its debt service requirements by \$_____ over the
 next ____ years and obtained an economic gain of \$_____. At June 30,
 1998, the outstanding balance was \$_____ for the defeased [Name of
 Defeased Bond Issue]_____.